MEMORANDUM

ES- 125 -96M LAND 04

TO:

Dennis Norton

FROM:

Lolita Carter

DATE:

March 6, 1996

SUBJECT:

Hawthorne Shop

As requested, I researched the past uses of Hawthorne Shop to assess whether there were any environmental issues that would preclude selling this building. This memorandum summarizes what I have previously submitted to you through E-Mail.

<u>Past History:</u> I talked to Vic DeStefanis, Terry Hescock, and Gary Shafer who gave me most of the background on the building. The Hawthorne Building was purchased by PGE in the early 1900's (about 1902) and has been in the company since then. The site was added to the city sanitary sewer system in the 1920's.

The Hawthorne Shop was constructed about 1900 to be railway depot or shop. It is a very solid structure, built for adding additional floors. The building basement floor was usually paved, not dirt as some believed. There are pictures of the building in its original form in the corporate historical files.

Originally the basement was used to store horse drawn vehicles for electrical repair and construction. Some present employees incorrectly thought the horses were kept in the basement. The horses to draw those vehicles were housed across the street. One PGE retiree who worked at the Hawthorne shop from the mid-1940's until the 1970's said the horses were not kept in the building, but were stabled on (SW) 11th and Taylor. They were killed one night when their stable burned. Automobiles were parked in the basement but it was very difficult to get them up and down the ramp so that did not last long.

One interesting tidbit was that old carcasses of transformers, metals and other debris were said to have been thrown out and are now under the freight company directly across Water Avenue from the Hawthorne building. PGE does not own this property.

Past Uses for the Hawthorne Shop: The work in the shop was much the same as the present, except that there was a greater use of the upper most floors as offices (think 1900's to 1940's). There was some battery maintenance work done in the basement, line crews were there and also salvage. Later bushings were repaired in the basement. This bushing repair ended in 1973. In the past there has been some activities associated with cleaning contact brass. At one time this was headquarters for a painter and other EM&C crews. The painter stored products, but not wastes.

Transformers and other equipment were stored across Water Avenue at the OMSI site or where the old Corporate Garage now stands. The paved area behind the building (which was usually paved) was not used for materials storage. Storage for poles was at Station L or near the garage across the street. There is some question about whether this building may have housed the transformer shop in the

past...one person says maybe, another person said no that was done across the street in the old Corporate Garage. There was transformer repair in the basement of the building.

Until recently, in the basement there was an acid bath and a caustic bath for cleaning metals, however, those have been removed (within the present Hazardous waste rules).

<u>Present Uses of the Hawthorne Shop:</u> Currently, there are EM&C shops on the main floor and in the basement. The upper floors have some bill preparation and training rooms. The shops have carpentry and metal works. Just recently Cash Remittance has moved to the upper floors of the Hawthorne building. The basement contains a auto/metal shop and is used for storage. Cleaning and repairing electrical meters also occurs here.

Cleaning Out Sumps: About 3 years ago, the main sump for keeping ground water out of the basement was cleaned along with other sumps that could be accessed. This sump sludge was hazardous waste because mercury, chromium and PCBs were present above the limits. The PCBs in the sump sludge were probably from the past transformer repairs or from metal work done on trucks that had transported leaking transformers. The source of mercury could be repairing old switches and other mercury containing equipment. The source of the chromium is unknown. This sump is now clean of this contamination. The cost to clean the main sump and dispose of the sludge was about \$30,000.

Because the building has been on the city sewer since the 1920's, any contaminated water from the past has gone downstream. Sludge and crud in the "sewer lines" <u>may</u> be contaminated. However, if this material entered the city sewer, it is probably all passed through the sewage treatment plant. At least that from the early years of operation.

One benefit of the Flood of 1996 was that PGE had all the other sumps in the basement cleaned out. Flood waters were pumped from these sumps to prevent the basement from flooding. If the water had flooded the basement, cleaning this material would have prevented it from contaminating the walls and floors. This action also cleaned the sumps so that they do not have sludge in them now. Those barrels of sludge are to be tested and disposed of based on the test results.

Environmental Assessment: It does not appear that there is any significant environmental reason why the building could not be sold. Not withstanding the mercury and PCB in the sump that was cleaned a year or so ago, there does not appear to have been a use of Hawthorne Shop or any major spills that would preclude it from being sold.

One person felt the railroad right-of-way on the northeast side of the building was a bigger threat to the environment than the Hawthorne Shop (due to oil spills). Gary Shafer suggested that no matter the environmental issues, the building does not have enough ground and is not up to code. The stairwells and the elevator are not code. His comment is that it should be torn down. Others have also expressed this sentiment. However, one person suggested PGE continue to use the shop as it is presently used until the property values on the east side of the Willamette increase as the downtown expands. It depends on whether the purchase is for the shop or the property. It is not usable as an office building at this time.

Here are some of the issues for other uses of the building which Ron Parr has provided based on a letter from the City of Portland Plan Review Manager:

1. **Parking:** There is minimal parking for employees and very little space for a PGE vehicle pool. The DEQ and City requirements for parking and air quality are not present now.

Due to the mixed use and the number of employees headquartered in the building there are frequent parking conflicts. The building does not meet current parking requirements for zoning. Recent permits for Automated Mail, Training Rooms, ADA upgrades and Cash Remittance have not triggered additional parking requirements from the City due to the building being "Grandfathered" however, further office development (main floor) would most likely trigger additional parking requirements.

- 2. **Bus:** There is no easy bus or alternative transportation to that site for employees to offset the parking issue.
- 3. **Building Codes:** The Hawthorne Building does not meet Building Codes for use as offices and the stairs are dangerously steep.

However, all recent construction (last 8 years) passed City and State plan review and inspection, and meets code for its current uses. A recent opinion (8/15/95) was drafted by Mr. Charles Stalsberg, City of Portland Planning Dept. Mgr., regarding Seismic Restraint. "Remodeling of existing offices (this includes the entire second floor and parts of the main floor) would not trigger seismic improvements. If a building permit were to exceed \$100,000. a FEMA 178 evaluation (engineering study) of the building would be required however, there would be "no obligation to act on this information" and the "results shall not be cause for declaring the building dangerous under City code"."

The building stairs do not meet current code however, quoting form Mr Stalsberg's letter, "the building is but two stories, the City will not pursue requiring automatic sprinklers". Exiting corridors (i.e. hallways to exit the building), as part of further development "will need to be of one-hour construction".

- 4. American Disabilities Access: ADA upgrades were completed in 1990 and meet current codes for the building as PGE currently uses it. Most of these upgrades were related to restroom accessibility. Permits exceeding 25% of the value of the building or use of the building as a public area would trigger additional ADA requirements. Mr. Stalsberg addresses this also in his letter, "I would concentrate on providing access to the main floor". This would require improving street level access by providing an accessible route from street level to the main floor. Accessibility could be provided to the second floor by altering the existing freight elevator.
- 5. **Plumbing and Electricity:** The building needs to be completely replumbed with up-to-date piping. The drinking water quality in the pipes is very poor due to the condition of the piping. The building has a new electrical service and some wiring has been replaced, however, additional upgrading is required to bring the building up to current electrical codes.

- 6. **Sewers:** The City sewer may be old and inadequate. The combined sewer needs to be separated from the sanitary sewage so that stormwater runoff does not go to the sewage treatment plant.
- 7. **Support:** There are no supporting facilities in the immediate area, such as restaurants or shops.

In summary, any potentially possible environmental contamination can be assessed and managed. With the contamination out of the sumps, the major issue may have been addressed. There may be other minor issues, but it does not seem likely that PCB's spills are large, or that other environmental contamination has occurred. Nothing points to a potential financial liability if the property were sold barring any major, but unlikely, contamination in the sewer system. A Level 1 and/or 2 assessment by a qualified, third party is still recommended, if property transfers are to occur.

If PGE is going to retain this building, the present usage may be the least costly. This allows speculation on the value of the land without high renovation costs. There are no environmental issues that determine how the building should be used. If you have questions or need additional information, please contact me.

cc Larry Burke
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